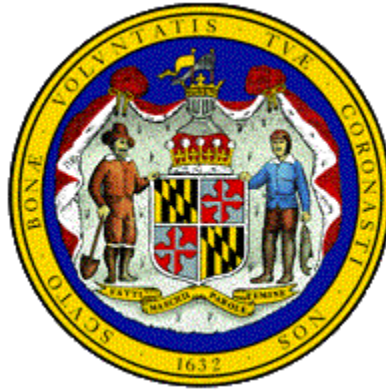


GOVERNOR'S OFFICE FOR CHILDREN



Response to Analysis D18A18 GOVERNOR'S OFFICE FOR CHILDREN

Arlene F. Lee, Executive Director

**FY 2007 BUDGET
2006 GENERAL ASSEMBLY SESSION**

GOVERNOR'S OFFICE FOR CHILDREN

Refer: Analyst's Comment

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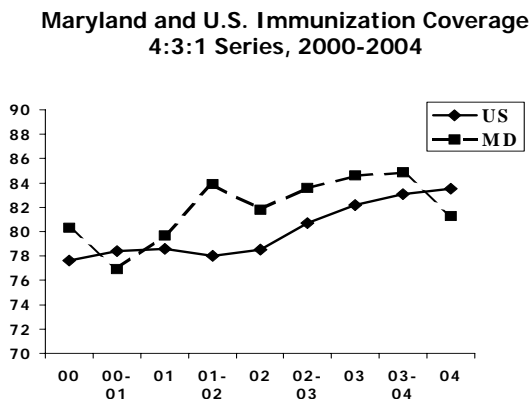
Analyst Comment—Children Fully Immunized Through Age Two

The Executive Director should comment on the factors which contributed to the decline in this measure in 2004.

Governor's Office for Children Response

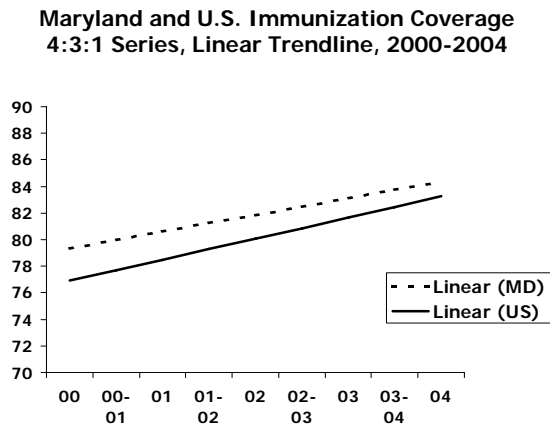
The larger changes (up or down) in Maryland's immunization rates compared to the U.S. rates are probably due to sample size differences. State specific samples are very small compared to the U.S. sample and this is reflected in the standard error rate for each National Immunization Survey. The U.S. standard error rate has varied from $\pm 0.8 - 1.0\%$ from 2000-2004. The Maryland standard error has been $\pm 4.0 - 5.5\%$ for the same surveys.

Over the last several years, the National Immunization Survey has been conducting a "rolling" survey yielding results twice a year, as shown below.



When one calculates the linear trend lines for all the data since 2000, both the U.S. and Maryland are showing steady improvement, with the U.S. closing the gap with Maryland.

The following graph of the raw data and then the trend lines help to illustrate this trend.



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Refer: Analyst's Issue #1

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Analyst Issue—Legislation to Codify Office

The Executive Director should comment on the need for and/or any plans OC has to seek legislation to codify the office.

Governor's Office for Children Response

We do not believe that there is currently a need to codify the office and do not have plans at this time to seek legislation to codify the office.

GOVERNOR'S OFFICE FOR CHILDREN

Refer: Analyst's Issue #2

Page: 13

Analyst Issue—Licensing of Group Homes

The Executive Director should brief the committee on its efforts to improve the licensure and oversight of group homes.

Governor's Office for Children Response

We have and will continue to work with the agencies, the Governor, the Legislature, providers, advocates and associations to improve the licensing and oversight of group homes. The following is a sample of our specific work in this area:

Establish Uniform Licensing and Monitoring Standards and Protocols (step one and two are completed the remaining items should be completed by 6/30/06):

1. Engage stakeholders through community cafes (focus groups)
2. Consolidate existing monitoring tools
3. Consolidate existing licensing tools
4. Develop single monitoring process
5. Develop single licensing process
6. Train licensing and monitoring staff and providers

Working to establish Standards and Protocols for Governance, Ethical Practice and Financial and Legal Accountability in Consultation with MANO on Standards of Excellence.

GOVERNOR'S OFFICE FOR CHILDREN

Refer: Analyst's Recommendation #1

Page: 14

Analyst Recommendation—Retained Earnings

Add the following language:

SECTION XX. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for M00A01.01 – Executive Direction, and \$100,000 of the general fund appropriation for N00A01.01 – Office of the Secretary, and \$100,000 of the general fund appropriation for V00D01.01 – Office of the Secretary may not be expended until:

- (1) the Department of Health and Mental Hygiene, the Department of Human Resources, and the Department of Juvenile Services submit a report to the budget committees and the Interagency Rates Committee in the Maryland State Department of Education by January 31, 2007, listing by provider, the amount and percentage of annual funding paid to the licensed child residential group home providers in Maryland that was retained by the provider at the end of the previous fiscal year; and
- (2) the budget committees have reviewed and commented on the report or 45 days have elapsed from the date the committees received the report.

It is the intent of the General Assembly that the departments should submit this report on an annual basis.

Governor's Office for Children Response

We agree to the above language; however, we do not feel it is necessary to restrict funding.

GOVERNOR'S OFFICE FOR CHILDREN

Refer: Analyst's Recommendation #2

Page: 14-15

Analyst Recommendation-Audit

Add the following language:

SECTION XX. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for M00A01.01 – Executive Direction, and \$100,000 of the general fund appropriation for N00A01.01 – Office of the Secretary, and \$100,000 of the general fund appropriation for V00D01.01 – Office of the Secretary may not be expended until:

- (1) the Department of Health and Mental Hygiene, the Department of Human Resources, and the Department of Juvenile Services submit a copy of each independent audit of rate contracts for fiscal 2006 for licensed child residential group homes in Maryland to the Interagency Rates Committee in the Maryland State Department of Education by January 31, 2007;
- (2) the Maryland State Department of Education submits a report by March 31, 2007 to the budget committees certifying receipt of the audits and listing the providers from which audit reports were not received; and
- (3) the budget committees have reviewed and commented on the report or 45 days have elapsed from the date the committees received the report.

The Maryland State Department of Education shall incorporate review of these audits into the annual rate-setting process for group homes licensed in Maryland by checking the audit results against reported budget data that were used to develop the rates. It is the intent of the General Assembly that the departments submit audit reports to the Interagency Rates Committee on an annual basis.

Governor's Office for Children Response

We agree to the above language; however, we do not feel it is necessary to restrict funding.

GOVERNOR'S OFFICE FOR CHILDREN

Refer: Analyst's Recommendation #3

Page: 15-16

Analyst Recommendation-Per Diem

Add the following language:

SECTION XX. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for M00A01.01 – Executive Direction, and \$100,000 of the general fund appropriation for N00A01.01 – Office of the Secretary, and \$100,000 of the general fund appropriation for V00D01.01 – Office of the Secretary may not be expended until:

- (1) the Department of Health and Mental Hygiene, the Department of Human Resources, and the Department of Juvenile Services submit a report to the budget committees by October 1, 2006, that reports on the percentage of dollars currently paid to the licensed child residential group homes that is spent on direct care and that proposes a minimum percentage of per diem funds paid to the child residential group home providers in Maryland that should be spent on the direct care of residents. The report shall also discuss feasibility of requiring licensed child residential group homes in Maryland to spend a minimum percentage of the per diem funds on the direct care of residents and the recommended method (by statute, regulation or other means) such a requirement would be instituted; and
- (2) the budget committees have reviewed and commented on the report or 45 days have elapsed from the date the report was received by the committees.

Governor's Office for Children Response

We disagree with the above language and propose to examine staff per client ratio based on the services provided.

GOVERNOR'S OFFICE FOR CHILDREN

Refer: Analyst's Recommendation #4

Page: 16

Analyst Recommendation-Performance-Based Incentives

Add the following language:

SECTION XX. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for N00A01.01 – Office of the Secretary, and \$100,000 of the general fund appropriation for R00A01.01 – Office of the State Superintendent- Headquarters, and \$100,000 of the general fund appropriation for V00D01.01 – Office of the Secretary may not be expended until:

- (1) the Department of Human Resources, the Department of Juvenile Services and the Interagency Rates Committee in the Maryland State Department of Education submit a report to the budget committees by October 1, 2006 providing methodology for fiscal 2008 rates set by the Interagency Rates Committee to incorporate performance- based incentives based upon outcomes appropriation for each department; and
- (2) the budget committees have reviewed and commented on the report or 45 days have elapsed from the date the committees received the report.

It is the intent of the General Assembly that the departments should utilize performance-based contracts for all out-of- home placements that utilize rates set by the Interagency Rates Committee annually beginning in fiscal 2008.

Governor's Office for Children Response

We agree with the above language; however, we do not feel it is necessary to restrict funding.